

No. 1979-110

AN ACT

SB 756

Amending the act of June 12, 1968 (P.L. 173, No. 94), entitled "An act to provide for the incorporation and regulation of cooperative agricultural associations; providing for the operation, taxation, merger, dissolution and winding up of such associations; conferring certain rights, powers, duties, restrictions, privileges and immunities upon them and their directors, officers, stockholders and members; conferring powers and imposing duties upon the courts, the Department of State, the Department of Agriculture and other State offices; and imposing penalties for the violation of this act," further providing for the audits of certain cooperatives.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Subsection (a) of section 27, act of June 12, 1968 (P.L. 173, No. 94), known as the "Cooperative Agricultural Association Act," amended December 2, 1976 (P.L. 1253, No. 278), is amended to read:

Section 27. Audit of Operations; Audit; Failure to File Audit; Penalties.—(a) At the close of each fiscal year a complete certified audit of the operations of the association shall be made, by a qualified certified public accountant or accountants or by a qualified public accountant or accountants, employed by the board of directors, the written report of whom shall include the balance sheet, operating statement commissions; salaries and other remunerations of managers and officers and other proper information, and shall be submitted to the members at the next regular meeting. Within six months after the expiration of the fiscal year for which made, the secretary of the association shall file a copy of the certified audit with the Secretary of Agriculture of this Commonwealth upon a form prescribed by the Secretary of Agriculture. The secretary of the association shall also include in the yearly audit report to the Secretary of Agriculture a list of the current officers and directors and their addresses. ***The annual audit of an association with annual gross sales of one hundred thousand dollars (\$100,000) or less may be performed by an audit committee of three or more members of the association appointed by the board, however, one of the three members shall be a member of the board of directors. The members of the committee need not be certified public accountants or public accountants.***

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Section 2. This act shall take effect immediately.

APPROVED—The 13th day of December, A. D. 1979.

DICK THORNBURGH